

**Department of Personnel Administration
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: Excluded Employee Compensation Program - FY 2006-07	REFERENCE NUMBER: 2006-032
DATE ISSUED: 08/29/06	SUPERSEDES:

This memorandum should be forwarded to:

**Employee Relations Officers
Personnel Officers
Personnel Transactions Supervisors**

FROM: Department of Personnel Administration
Office of the Director

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The Department of Personnel Administration is pleased to announce the 2006-07 general compensation program for excluded employees.

General Salary Increase (GSI)

Effective July 1, 2006, excluded employees will receive a GSI of three and one-half percent (3½%). Exceptions will be identified through a pay letter.

One-Time Payment

Excluded employees will receive a one-time payment of up to \$1000. The eligibility criteria for this one-time payment will be announced through a pay letter.

Inequity Adjustments

Classifications with a salary separation (at maximum) of less than five percent shall have the salary range maximum adjusted to establish a five percent differential. Where appropriate, this adjustment will be passed on to higher level classes in the series. Pay letters will be issued to identify the specific classifications that are to receive inequity adjustments.

Labor Market Adjustments

Effective January 1, 2007, excluded classifications impacted by the labor market adjustments provided to rank and file classes will have the maximum rate of the salary range adjusted to maintain an adequate salary separation between classes in the series. The specific classifications that are to receive labor market adjustments will be announced in a pay letter later this year.

Health Benefits (Co-Ben)

Excluded employees will continue to have their health benefits based on the 85/80 formula. Current benefit plans and premiums may be found on the DPA website at www.dpa.ca.gov.

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Excluded employees affiliated with Bargaining Units 2 (Attorneys), 5 (California Highway Patrol), 6 (Corrections) or 9 (Professional Engineers) who received salary increases July 1 tied to the rank-and-file employees they supervise, are not covered by this package.

/s/Dave Gilb

Dave Gilb
Director